

CRISES OF HUMANITY IN THE GLOBAL ECONOMY (ALL OF US ARE AT RISK IN THE WORLD AROUND US)

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Kindness is the Language which the Deaf can Hear and the Blind can See. – Mark Twain

Bruce B. Clark¹ writes-

Ignorance is dangerous, but knowledge without responsibility is more dangerous.

ABSTRACT

There are many crises of humanity like food², debt³, economic⁴ recession⁵, war, refugee & migration, displacement, underdevelopment, climate change, natural & unnatural disasters, arising out of growing transnational crime, house⁶, those living in conflict and in chronic poverty⁷, most vulnerable, growing transnational crime, inequality⁸, global fiscal policies that negatively impact other economics, nuclear trafficking & terrorism, human rights violations, policy crisis⁹, Marx's theory of economic crisis -its causes & impacts¹⁰. Expanding lists at risk is infinite. In crises, thousands have been died and others' are suffering. Building on the earlier works on humanity & globalization, this study discusses the nature of the global economy, the rise of a globalized production and financial system, a transnational capitalist class, and a transnational state and warns of the rise of a global police state to contain the explosive contradictions of a global capitalist system that is crisis-ridden and out of control¹¹ by giving rise to all kinds crises of `artificial intelligent weapons (AI)¹², climate change, financial market volatility, increasing inequality, chronic poverty¹³, global slavery¹⁴, trafficking & terrorist, defining vulnerability, and some more to add to the urgency of seeking connections between crises of humanity and the global economy. As a result of more warring parties are brazenly violating international standard to recognise others as the common humanity and the suffering people are not "others"; they are as diverse as the human family itself; the developing countries pay the highest price in a global economy. These reasons and more, this study surveys some of the factors under study and conclude with an exploration of how diverse social, economic & political forces are responding to the crisis of humanity and alternative scenarios for the future.

KEYWORDS: Crises of Humanity in the Global Economy

INTRODUCTION

There are crises of humanity of our times. Millions of people on the move have been exposed to extreme suffering due to crisis of food¹⁵, debt¹⁶, economic¹⁷ recession¹⁸, war, refugee & migration, displacement, underdevelopment, climate

change, natural & unnatural disasters, arising out of growing transnational crime, house¹⁹, those living in conflict and in chronic poverty²⁰, most vulnerable, growing transnational crime, inequality²¹, global fiscal policies that negatively impact other economics, nuclear trafficking & terrorism, human rights violations, policy crisis²², Marx's theory of economic crisis -its causes & impacts²³. Expanding lists at risk is infinite. In crises, thousands have been died and others' are suffering. The world's poor are experiencing the most severe consequences for one crisis after another sparked by the rich. As a result of more warring parties are brazenly violating international standard to recognise others as the common humanity and the suffering people are not "others"; they are as diverse as the human family itself; the developing countries pay the highest price in a global economy.

Global market economics has its causes & impacts. For example, liberalization of the world financial markets means that trillions of dollars criss-cross the world every day of the year, making effective supervision of the movement of black money impossible. The neutralization of crimes against humanity in an evolving world economy involve strong national & international cooperation, undercover operations, preventive measures and police surveillance, proper controls linked to awareness of the threat, danger signs and integrity checks, open democratic system, intellectual mindset of the participating countries, strong political will, innovative penal thought and strategic planning, effective judicial system unlike in India, where access to justice continues to be an **illusion** when 30% population is below chronic poverty line. No society can be at peace with itself if 30% its population feels neglected & unwanted. These are the factors and more raises more serious questions about the survival of humanity. Should the challenges fail to be met; a time will come from where it would be impossible to retrieve the humanity from these crises because the earth has enough for everyone's need, but not for everyone's greed. Hence, hard questions can be asked and answered, whether all of us are at risk in the world around us? Whether all of whom cannot live without humanity? What responsibilities do wealthy nations have to end inequality & global poverty? What are the ethical obligations and claims for collective global action? Who is planting the root cause of poverty, whether capitalist (globalisation) or policy makers? Whether the global monetary policy was increasingly becoming part of the problem rather than becoming part of solution? Hence, hard questions can be asked and answered that capture key ideas and issues that facilitate a constructive work about the relevance of 'crises of humanity' and 'the global economy'. This exciting new study provides an original and provocative exposé on 'crisis of humanity' in its multiple dimensions - economic, political, social, ideological, ecological, military, cultural, and some more. Building on the earlier works on humanity & globalization, this study discusses the nature of the global economy, the rise of a globalized production and financial system, a transnational capitalist class, and a transnational state and warns of the rise of a global police state to contain the explosive contradictions of a global capitalist system that is crisis-ridden and out of control²⁴ by giving rise to all kinds crises of 'artificial intelligent weapons (AI)²⁵, climate change, financial market volatility, increasing inequality, chronic poverty²⁶, global slavery²⁷, trafficking & terrorist, defining vulnerability, and some more to add to the urgency of seeking connections between crises of humanity and the global economy. These reasons and more, this study surveys some of the factors under study and conclude with an exploration of how diverse social, economic & political forces are responding to the crisis of humanity and alternative scenarios for the future.

Global Economic Crisis:



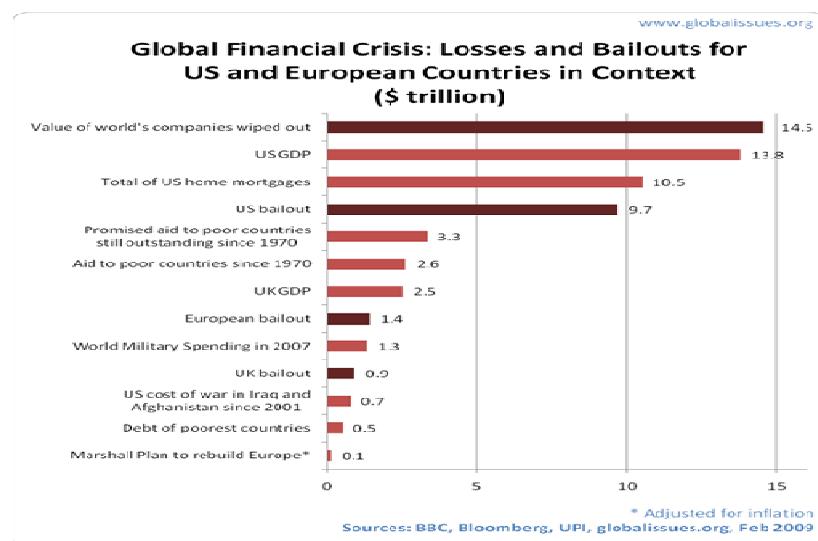
The global financial crisis, brewing for a while, really started to show its effects in the middle of 2007 and into 2008. Around the world stock markets have fallen, large financial institutions have collapsed or been bought out, and

governments in even the wealthiest nations have had to come up with rescue packages to bail out their financial systems. On the one hand many people are concerned that those responsible for the financial problems are the ones being bailed out, while on the other hand, a global financial meltdown will affect the livelihoods of almost everyone in an increasingly inter-connected world. The problem could have been avoided, if ideologues supporting the current economics models weren't so vocal, influential and inconsiderate of others' viewpoints and concerns.

Each one approaches economy from one's own perspective. Government's perspective is growth. Central bank's perspective is monetary stability, and others it differs based on individual notion. In Indian perspective, its economy is largely depending on global economy in three fronts –inflation, current account deficits, and fiscal management. The simple distortion in global economy spoils the bill of humanity, and in particular the poverty and inequality. A crisis sparked by the world's rich will have the poor paying the highest price. On the other hand, the global recession has been overwhelmingly viewed as a national and global failure of economic policy and regulation that undermined the humanity. Among the crises, the economic crisis has severely disrupted economic growth worldwide²⁸.

Millions of people on the move have been exposed to crises. For the developing world, the rise in food prices & the knock-on effects from the financial instability and uncertainty in industrialized nations are having a compounding effect. High fuel costs, soaring commodity prices together with **fears of more global recession are worrying** many developing country analysts²⁹. For example, in 2012, India was home to 262 million poor³⁰. Put differently, one in four people living in extreme poverty across the world are Indian. Poverty is closely intertwined with geography. The poor are still far more likely to be found in India's villages which are home to 80% of the countries poor. Nevertheless, the story of India's transformation remains one of optimism. India has made tremendous progress in reducing absolute poverty in the past two decades. To determine the poverty line is based on the daily expenditure per capita. For many millions of people in poverty there has long been a crisis of economic opportunity and social protection.

Figure 1



Source: Global Financial Crisis by Anup Shah³¹

In global market economics, the crisis of economic meltdown is predictable, and thus the losses and bailouts for US and other countries are inevitable (see the above it).

The impacts of global economic crises were so large that it involves each and every system socially, economically, environmentally and politically. In financially, banks even with large capital reserves ran out, so they had to turn to governments for bail out. New capital was injected into banks to, in effect; allow them to lose more money without going bust. That still wasn't enough and confidence was not restored. In times of crisis, the myth becomes far easier to see through. After all, the failure of the banks could have spiralled into total economic meltdown were the public sector not there to catch it. Capitalism can no more bail itself out than it can stand on its own shoulders. The market has always depended on society, which is why the language of "too big to fail" simply means "so big that it can depend on society to pick it up when it topples." The logic of laissez-faire always needs a social base, and this is why the supportive of market economics does not separate the way we live into "government and the free market" — for him, it's simply "market society"³². There are many other impacts.

In an increasingly inter-connected world, a global financial meltdown will affect the livelihoods of almost everyone and in particular, the social impact. An example for social impact is that the global financial crisis 2008-09 could have been well over 500,000 excess cancer deaths worldwide from 2008 to 2010 with patients locked out of treatment because of unemployment and healthcare cuts. Some 160000 additional deaths —people who would not otherwise have died—occurred in the European Union and 18000 in the United States. Higher unemployment due to economic crisis and austerity measures is associated with higher number of cancer deaths. Increased jobless during this period may have limited people's access to health care, leading to late stage diagnoses and poor or delayed treatment, especially in countries with underdeveloped social security & healthcare system³³. During periods of boom, people do not want to hear of criticisms of the forms of economics they benefit from, especially when it brings immense wealth and power, regardless of whether it is good for everyone or not. It may be that during periods of financial crisis, the time comes to rethink economics in some way. Even mainstream media, usually quite supportive of the dominant neoliberal economic ideology entertains thoughts that economic policies and ideas need rethinking³⁴. In the words of — *Adam Smith*, "the proposal of any new law or regulation of commerce which comes from this order ought always to be listened to with great precaution, and ought never to be adopted till after having been long and carefully examined, not only with the most scrupulous, but with the most suspicious attention. It comes from an order of men whose interest is never exactly the same with that of the public, who have generally an interest to deceive and even to oppress the public, and who accordingly have, upon many occasions, both deceived and oppressed it"³⁵.

Instant Crises of Humanity:

The conflict in Syria continues to be by far the biggest driver of migration. But the ongoing violence in Afghanistan and Iraq, abuses in Eritrea, as well as poverty in Kosovo, are also leading people to look for new lives elsewhere. More than a million migrants and refugees crossed into Europe in 2015, sparking a crisis as countries struggled to cope with the influx, and creating division in the EU over how best to deal with resettling people³⁶.

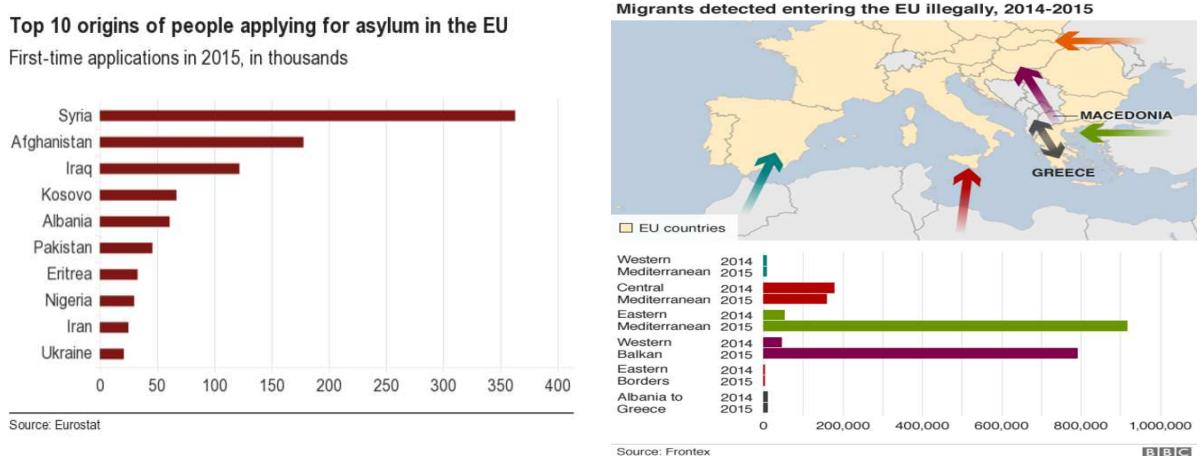


Figure 2

Peaceful society is creative society. In conflict areas like refuge & migration, building peace is a difficult task. Nevertheless, **worldwide** local people are building peace by stopping violence, saving lives, healing shattered communities by **making** a real difference. Every day they risk their lives to build peace and prevent conflict in the places where it starts – locally. These local heroes can work in places outsiders can't reach. And stay long after the immediate danger has passed. They work tirelessly for the future of their country because it is, quite simply, their home. Local people have the power to find their own solutions to conflict – and to build their own better futures.

Instant Crises of humanity!!!



Figure 3

In coming days, future population movements will increase and become more widespread, unless action is taken to enhance stability of countries and the security of individuals. Understanding the forces behind migration is a tangible focus for problem solving that is not possible in crisis situations. Almost a billion people face food insecurity, regardless of the number of wars occurring. Fighting in addition to famine creates far larger migrations than each alone would produce. Somalia is an example of war and famine combinations that were spurred on by conflicts over the best farmland. Long-term population growth and land scarcity are the forces behind the fighting among clans for the best land. An example is Eritrea, which is emerging from being a war-torn country by development of peasant agriculture and small-scale rehabilitation of lands. Programs aim to avert famine through agricultural alternatives such as irrigation and

soil protection plans. Land redistribution aims to give farmers a stake in protecting their land and to assuring adequate income. The development plan emphasizes building strong rural economies to prevent migration to cities. Eritrea hopes to avoid the mistakes of over-reliance on large-scale public works projects and substantial borrowing of foreign funds. Individual security is also enhanced through lending programs, such as those conducted by the Grameen Bank, which enable the poorest population to generate sustained income. Many initiatives not associated with migration policy have an impact on refugee and migration movements. The International Conference on Population and Development in Cairo addressed the issues of literacy, health care, family planning, and poverty as issues of individual security. Organizations designed to defuse tensions made worse by stresses from land scarcity, demographic change, environmental degradation, and other sources of conflict are lacking and are needed in parts of the world. The Conference on Security and Cooperation in Europe is an agency functioning to calm the continent's arguments over economic and security issues³⁷.

The early stages of Europe's refugee crises produced heart warming images. This is because, the international law obliges governments to help refugees who reach borders, but domestic politics constraints their room for manoeuvre. Europe presents double challenges. First it is rich region with a commitment to human rights that happens to sit next to Africa and the Middle East. Second, it is largely a borderless club of geographically concentrated states with widely varying economics, benefit systems and labour market. Asylum seekers shop around, leaving some EU countries to bear a far heavier burden than others. That sets governments against one another. Over the years the EU has taken halting steps to manage this problem by developing common grounds, beyond definition, on which it could be granted. For instance, the US continued to resettle refugees after the end of the cold war. But today security fears due to terrorism. Politicians still struggle to talk about immigration because of native troubles from the voters.

Inspite of this, the refugee & migrant crises is leading more people to leave their home either by force or by choice. Movements of people are fundamentally a global phenomenon that demands a global sharing of responsibility. The number of migrants is expected to continue to grow as a result of globalisation that includes trade, labour and skill shortages, the ease of travel and communications, rising inequality and climate change. Human beings have moved from place to place across the millennia, by choice and under duress, and will continue to do so for the foreseeable future. Integration of nations, multiculturalism, allowing minority groups to drift so far away from the mainstream of the dominant majority that they now hold values and idealism that are far away from the liberal ideals are some of the areas to tackle the "dark side of the diverse society", that have encouraged authorities to "sky away from confronting wicked acts for fear of having to address their ethical or cultural components". In the other hand, today, millions of refugees and migrants are being deprived of their basic rights, and the world is depriving itself of the full benefits of what refugees and migrants have to offer. Refugee and migrant cries are far from unsolvable, but they cannot be addressed by states acting alone. Only by upholding our duty to protect those fleeing persecution and violence, and by embracing the opportunities that refugee and migrants offer to their new societies, will we be able to achieve a more prosperous and fair future for all. There is a pressing need to do more to combat smuggling & traffickers, to rescue and protect people en-route, and to ensure their safety and dignity at borders. More orderly and legal pathways for migrants and refugees will be crucial, so that desperate people are not forced to turn to criminal networks in their search for safety. In other word, "Are the universe of different background coming together to address the 21st century most important crisis of 'refugee and migration' or drifting further apart?" Ban KI-Moon –the Secretary General of United Nations- while referring 'instant crises of humanity'- says, "the climate change is affecting lives and livelihoods across our fragile planet. brutal and seemingly intractable conflicts, a worrying rise in violent extremism that is threatening us all, over 800 million people struggling to escape extreme poverty,

close to millions people are displaced around the world, growing transnational crime and inequality are devastating the lives of millions of men, women and children are destabilising entire regions. More people have been forced to flee their homes than at time since World War II. More warring parties are brazenly violating international humanitarian law. More sources than ever are needed to meet sharply escalating humanitarian needs”³⁸. Now, appalling conflicts & human suffering in the part of the Middle East & Europe is affecting the survival of the humanity by way of giving rise to traffickers & terrorists, artificial intelligence weapons (AI)³⁹, and much more All sides need to accept that rich countries cannot remain immune from these crises. For instance, the price that Syria’s civil war goes to: Firstly, over 25000 are dead, and well over a million are wounded; secondly, there are 6.5 million displaced within Syria, and 4.8 million outside; thirdly, historical city- Aleppo has been devastated; fourthly, lost UNESCO WORLD heritage; fifthly, Syria lost economy cost of \$275 billion growth opportunities; sixthly, costs to other countries like Turkey, Lebanon, Jordan, and Iraq have burnt of the war’s economic impact; seventhly, terror is a recurring nightmare and most savage act inspired by a toxic ideology⁴⁰. Above all, truth is the first causality. Extreme levels of manipulation and falsehood are the norm. Inhumanity of the atmosphere within the refuge is even colder. UN says the new tool is the 2030 Agenda for Sustainable Development that strengthens the international systems that manage large movements of people so that they uphold human rights norms and provide the necessary protection⁴¹ by improving global governance, including through a “global compact for safe, orderly and regular migration”.

The World Food Crisis (When It Turned out the Hungry People of the World We):

Starvation was an ever-present threat. One of the extraordinary things about the modern world is that so much of it takes food for granted. For most of the recorded history, the struggle to eat has been the main focus of the human activity. In the worst, non but the powerful could be sure of a full stomach. Now most people in rich countries never have to worry about the next meal is coming from unlike poor countries because of lack of Agricultural Technology.

The food crisis is anything but silent, and—as long as we are aware of its true causes—we are not helpless. According to the UN’s Food and Agricultural Organization (FAO), some 2 billion of the world’s 7.3 billion people do not have enough to eat. Moreover, by 2050, the total population is projected to grow to almost 10 billion. Add this to the rising demand for meat, fish, milk and eggs, which is born of prosperity and which requires extra fodder to satisfy, and 70% more food will be needed in 2050 than was produced in 2009, the year the FAO did the calculation. That is a tall order. But it is not impossible⁴². Since the time of Thomas Malthus, an eminent economist writing a little over 200 years ago, people have fretted that population growth would outstrip food supply. So far, it has not. But neo- Malthusians spot worrying signs. These are legitimate concerns. But they can be overcome by two things: the application and dissemination of technology, and the implementation of sensible government policies⁴³. Agricultural technology itself needs to change to respond to global warming as international demand is already growing faster than agricultural yields and climate change will put further pressure on production. Increases in productivity, sustainability and resilience to climate change are required. This will require significant investment from the public and private sectors, as well as new cross-sector collaborations⁴⁴.

In fragile political contexts where household food insecurity is high, civil unrest might spill over into violence. The food crisis is affecting over three billion people -half the world’s population. The trigger for the present crisis was food price inflation. The crisis of food price inflation is simply the most recent tip of a slow-moving iceberg. While food rebellions across the globe have only recently made headlines, governments have been promising to end hunger for over 30 years⁴⁵. Not only growing enough food for future generations will be a challenge but also to feed the current ten billions is

a tough challenge. In addition, global food shortages to become three times more likely due to climate change⁴⁶ and the loss of food during harvest. The FAO⁴⁷ says that about a third of food is lost during and after harvest. In rich countries a lot of that is thrown away by consumers. In poor ones it does not reach consumers in the first place. Bad harvesting practices, poor storage and slow transport mean that food is damaged, spoiled or lost to pests⁴⁸.

Food Crises of humanity!!!



Figure 4

Food shortages, Market volatility, Climate change 'set to fuel global food crisis', and Price spikes are likely to occur at an exponentially higher rate of every 30 years by 2040⁴⁹. The climate is changing and weather records are being broken all the time⁵⁰. With the world's population set to rise to **nine billion by 2050 from 7.3 billion today**, food production will need to increase by more than 60 percent and climate-linked market disruptions could lead to civil unrest. The risks of an event are growing, and it could be unprecedented in scale and extent. Globalization and new technologies have made the world's food system more efficient but it has also become less resilient to risks. Some of the major risks for the global community include a rapid rise in oil prices fuelling food costs, reduced export capacity in Brazil, inflation⁵¹, current account deficits, crude price (Rs. \$ 24.03/ barrel on January, 2016), gold imports, fiscal & foreign exchange management, macroeconomic stability, the US or the Black Sea region due to infrastructure weakness, and the possible depreciation of the US dollar causing prices for dollar-listed commodities to spike. Really, it is a challenge for survival in a global market economy.

Besides, the World Food Program's description of the global food crisis raises the specter of a natural disaster surging over an unaware populace that is helpless in the face of massive destruction. With billions of people at risk of hunger, the current food crisis is certainly massive and destructive. But the reasons so many people have limited access to food are anything but "natural." On the contrary, decades of skewed agricultural policies, inequitable trade, and unsustainable development have thrown the world's food systems into a volatile boom and bust cycle and widened the gap of inequality, the rich & poor. Though hunger is coming in waves, not everyone will "drown" in famine. In fact, the world's recurrent food crises are making a handful of investors and multinational corporations very rich—even as they devastate the poor and put the rest of the planet at severe environmental and economic riots not only in poor countries, but in resource-rich countries reflects the fact that people are not just hungry, they are rebelling against a dangerous and unjust global food system.

The world organs like World Bank, the WTO, the World Food Program, the Millennium Challenge, etc are carefully avoid addressing the root causes of the food crisis. The "solutions" they prescribe are rooted in the same policies and technologies that created the problem in the first place: increased food aid, de-regulated global trade in agricultural

commodities, and more technological and genetic fixes. These measures only strengthen the corporate status quo controlling the world's food. For this reason, thus far, there has been little official leadership in the face of the crisis. Nor has there been any informed public debate about the real reasons the numbers of hungry people are growing, or what we can do about it. The future of our food—and fuel—systems are being decided de facto by unregulated global markets, financial speculators, and global monopolies.

For decades, family farmers and communities around the world have resisted the destruction of their native seeds. They have worked hard to diversify their crops, protect their soil, conserve their water and forests, and establish local gardens, markets, businesses, and community-based food systems. There are tens of thousands of highly-productive, equitable, and sustainable alternatives to the present industrial practices and corporate monopolies holding the world's food hostage, and literally millions of people working to advance these alternatives in this time of need. What is missing is the political will on the part of government, industry, and finance to support these alternatives. Some of the global community efforts to eradicate poverty can be seen below:

- 1974—500 million hungry people in the developing world. **The World Food Conference pledges to eradicate child hunger in 10 years.**
- 1996—830 million hungry people. **The World Food Summit pledges to reduce the number of hungry people by half by 2015.**
- 1996—12% of the U.S. population is hungry. **U.S. Farm Bill increases food nutrition programs (Food Stamps, Women and Children in need,) and food banks augment donations of government surplus with local and industry-donated food.**
- 2000 Millennium Summit—**World leaders pledge to reduce extreme poverty and hunger by half by 2015.**
- 2002—850 million hungry people. **The World Food Summit+5 admit to poor progress on the Millennium Development goals.**
- 2008—862 million hungry people. **The FAO High-Level Conference on World Food Security announces that instead of reducing the ranks of the hungry to 400 million, hunger has increased. The World Bank recalculates its projections for extreme poverty upward from one billion to 1.4 billion. Over three billion people live on less than \$2 a day.**
- 2008—12% of the U.S. population is still hungry. **Despite \$60 billion yearly in government food nutrition programs and the explosion of over 50,000 food banks and food pantries across the nation, one in six children in the United States go hungry each month and 35 million people cannot ensure minimum daily caloric requirements.**

The above is an illustrative and many more programmes exist like South Sudan's World Food Programme's (WFP). The South Sudan response helps people affected by the conflict, by delivering life-saving food assistance and food-for-assets activities. More information can be found on the South Sudan emergency page.

South Sudan Food Crisis and Conflicts (See Photo⁵²- Below):

Around 2.8 million people are in urgent need of food assistance in South Sudan. Because of conflict, high food

prices and a deepening economic crisis, the nation is facing the worst levels of food insecurity since independence. While **hunger is most acute in the state worst affected** by fighting (Jonglei, Upper Nile and Unity), food security has also deteriorated in non-conflict areas, extending the crisis to much of the country. In parts of Unity State, malnutrition has reached catastrophic proportions. In some places, global acute malnutrition is above 30 percent. Across Jonglei, Upper Nile and Unity, as well as in the non-conflict states of Warrap and Northern Bahr el Ghazal, it is consistently above the 15 percent emergency threshold.

- People displaced inside South Sudan by conflict - 1.69 million
- South Sudan refugees in neighbouring countries - 711,766
- People WFP plans to assist in 2016 - 3.2 million
- what the World Food Programme is doing



Figure 5

South Sudan Food Crisis & Emergency Need

World Food Programme (WFP):

The WFP has three main goals universally under its South Sudan response

- Deliver food to people affected by conflict, malnourished children, pregnant women and nursing mothers;
- Provide emergency food assistance; and
- Offer programmes that support logistics, relief and recovery, cash and vouchers, school meals, and nutrition

The food crisis appeared to explode overnight, reinforcing fears that there are just too many people in the world. But according to the FAO, there were record grain harvests in 2007. There is more than enough food in the world to feed everyone. In fact, over the last 20 years, world food production has risen steadily at over 2% a year, while the rate of global population growth has dropped to 1.14% a year. Population is not outstripping food supply. People are too poor to buy the food that is available. “We’re seeing more people hungry and at greater numbers than before,” said World Hunger Program’s executive director Josette Sheeran. “There is food on the shelves but people are priced out of the market.”

Clearly, **global hunger** was a growing **problem even before the media picked up** on the present food crisis. However, the U.S. government, the international aid institutions, and the mainstream media weren’t calling it a “global crisis.” That is because food prices were still on a steady, 30-year downward trend. Development institutions promised that

eventually, as the promised benefits from globalization trickled down, the poor would be able to buy the food they lacked.

Not until the dramatic displacement of food crops by fuel crops began in 2006 did the FAO begin to warn of impending food shortages. But in the winter of 2007, instead of shortages, food price inflation exploded on world markets—in spite of that year’s record harvests. As a result, the number of hungry people jumped dramatically to 982 million in just one year. In the United States, 57 million people (a sixth of the national population) classified as “near poor” are now food insecure. The rebellions that quickly spread across the globe took place not in areas where war or displacement made food unavailable, but where available food was too expensive for the poor.

The dramatic reversal of the global trend in cheap food quickly became known as the “global food crisis.” The proximate causes are well-known:

- **Poor Weather**—back-to-back droughts in major wheat-producing countries in 2005-06. Climate change will continue to impact food production in unpredictable ways
- **Low Grain Reserves**—national grain reserve systems were dismantled in the late 1990s. Because nations now depend on the global market for their grains, global reserves are down from 115 to 54 days worldwide. This provokes price volatility
- **High Oil Prices**—increasing twofold over the last year pushes up prices of fertilizers (3X), transport (2X) in the food system
- **Increasing Meat Consumption Worldwide**—the result of explosive growth in industrial feedlots. Apart from high consumption in the industrial North, there has been a doubling of meat production and consumption in developing countries—mostly from grain-fed feedlots that displace small producers and consume seven lbs. of grain for every pound of meat produced
- **Agrofuels**—the diversion of 5% of the world’s cereals to agro fuels has increased grain prices. The U.S. Department of Agriculture claims agro fuels are responsible for anywhere from 5-20% of grain price increases. The International Food Policy Research Institute (IFPRI) has put it at 30%. A leaked World Bank report claimed it was 75%.
- **Speculation**—deregulation and poor oversight have contributed to the speculative bubbles in the futures markets. Following the sub-prime mortgage meltdown, investors searched for places to put their money. When they saw food prices going up, they poured investments into commodities futures, pumping up the price of grains and worsening food price inflation.

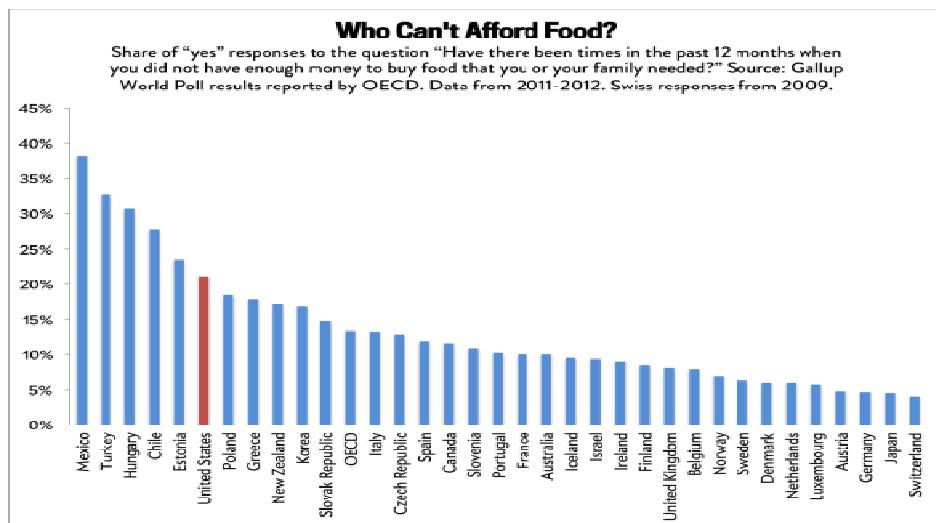
The Root Causes of Food Crisis:

The food crisis is a symptom of a food system in crisis. Prices are up, but just how bad is the food crisis in many countries? The recent trends in the nation’s food banks are a good indicator: there is less food available, it is more expensive, and the lines outside the food banks are growing. The proximate causes of a deeper, systemic problem for food crisis are bad weather, high oil prices, agro fuels, and speculation.

The global South had yearly trade surpluses in agricultural goods of \$1 billion 40 years ago. By 2001, after three “Development Decades” and the expansion of the industrial agric-foods complex, southern countries were importing \$11

billion/year in food. Immediately following de-colonization in the 1960s, Africa exported 1.3 billion a year worth of food. Today African countries must import 25% of their food. The rise of food deficits in the global South mirrors the rise of food surpluses and market expansion of the industrial North. This study compares the poverty positions with other countries, who can't afford food in globally.

Figure 6



(Source: Gallup World Poll results reported by OECD)

The root cause of the global crises, today, is a global food system that is highly vulnerable to economic and environmental shock. This vulnerability springs from the risks, inequities, population factors, and externalities inherent in food systems that are dominated by a global industrial agric-foods complex. In addition, Poor soils, poor seeds, and poor people are the stock answers. Built over the past half-century—largely with public funds for grain subsidies, foreign aid, and international agricultural development—the industrial agric-foods complex is made up of multinational grain traders, giant seed, chemical, and fertilizer corporations, processors, and global supermarket chains.

In poverty reduction, the global idea is that the developing countries should feed themselves is a simple solution. They could better ensure their food securities instead of relying on developed agricultural products for world food aid⁵³. For example, world food aid in 2007 reached its lowest level since 1961 (5.9 million tons), precisely when more people than ever are going hungry. Why? Because when prices are high—and food is unavailable to the poor—food aid decreases. When prices are low—and food is abundant—food aid increases. Sound backward? That is because food aid responds to grain prices on the international market—not to the food needs of poor countries. When the price of cereals is low, the transnational grain companies seek to sell their commodities through food aid programs. When the price is high, they prefer to sell their grains on the international market. When more people suffer from hunger, less food aid arrives. Global food aid is dominated by U.S. food aid, whose objective since 1954 has been to lay the basis for a permanent expansion of exports of agricultural products with lasting benefits to ourselves and peoples of other lands. Given the rise of monopoly power in the food system, it should come as no surprise that when the world food crisis exploded, ADM's profits increased by 38%, Cargill's profits by 128%, and Mosaic Fertilizer (a Cargill subsidiary) by a whopping 1,615%! Contrary to conventional wisdom, big livestock production and packaging industries are also benefiting. Apart from above, higher commodities prices, specifically for corn, wheat, milk, and soy beans, coupled with rising energy costs, are the main reason

that food prices are rising faster than normal rates. A dozen eggs costs 50 cents more than last year, a loaf of bread, 20 cents more. Most small retailers operate on a slim margin of 1-3% and cannot absorb these cost increases; as a result costs are being passed onto consumers. However, because they make their money on high volume and low margins—and because they can source directly from producers—larger chains and big box stores have posted sizable profits with the food crisis. For example, major retailers, such as Wal-Mart, also say that food sales are driving their profit increases. Other world's largest producer and exporter of beef, JBS S.A. has seen a 475.4% revenue increase since 2007. This is a function of monopoly expansion in food. However, the recent trends in the nation's food banks are a good indicator: there is less food available, it is more expensive, and the lines outside the food banks are growing.

Humanity faces many crises such as growing the crisis at home, commodity price crisis, food & farm crisis and some more to add. In sum, the crisis of humanity is come to a stage that humanity itself is a marketable commodity and thereby raising a helpless generation in the modern era. We are doing a huge disservice to mankind. We are raising a generation of humanity who are going to be incapable of succeeding in the modern era.

FINDINGS:

- India should restrain itself from being "too ambitious" in economic growth at a time when the world is full of uncertainties about outlook and policies. Instead India should try to take sensible policies to ensure a sustainable economic growth. They include, for example, pro-poor approaches to economic growth that place poverty and equity at the centre of economic policy-making, increase competition, foster innovation, improve R&D, and drive institutional change⁵⁴.
- Easy and unconventional monetary policy in industrial countries could increasingly be a part of the problem rather than solution.

SUGGESTION

- **To Frame Sustainable Policy Instead of Adhoc:**

Globalisation is an ideological mystification that created zero sum game construction was always an imaginary. The inherited complexity of globalisation may make drastic disengagement; but political pressure to do so will increase. For instance, the stagnation of living standards in advanced economies has buttressed globalisation argument, though the proportion of blame falls on technology- and productivity- related factors, is a matter of debate. This is because politicians find it hard to prepare their populations for an **idea** that creates sustainable growth may not be taken for granted. Hence, there are legitimate concerns about the future and legends in globalisation. Is the future likely to be better than we take it to be? As a species, are we hardwired to be risk-averse and assume the worst? We hope for the better!

- **Sustainable Development⁵⁵ of Human Progress:**

The agenda for Humanity provides key actions and strategic shifts which the world requires to reduce humanitarian need and contribute to achieving the 'Sustainable Development' of human progress⁵⁶ based on the parameters of education, don't accept great change as a quick possibility, change in the outlook on humanity as kindness, reduction in profit motive, etc.

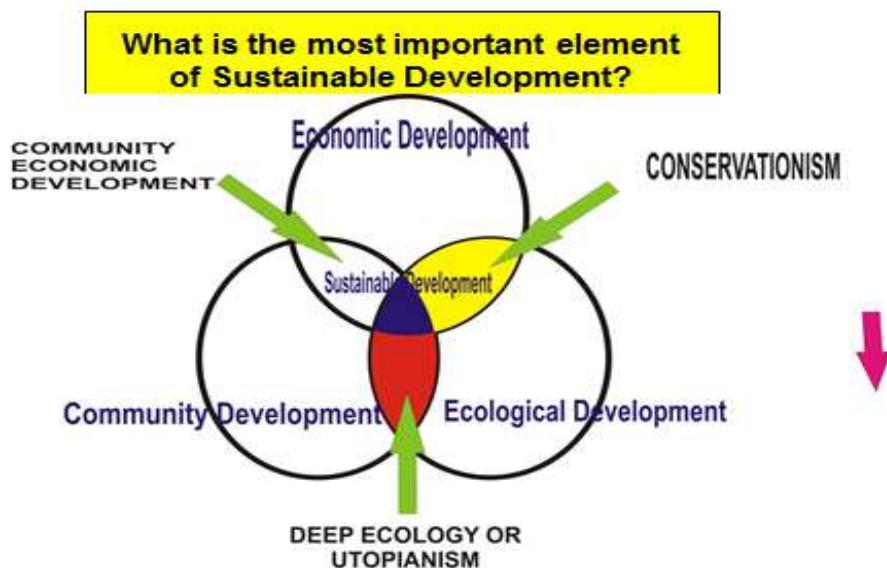


Figure 7

(Sustainable Development is based on Economy, Conservation & Ecology)

- **Develop Upright Migration/ Refugee Policy Based on Issues:**

Many initiatives not associated with migration policy have an impact on refugee and migration movements. The International Conference on Population and Development in Cairo addressed the issues of literacy, health care, family planning, and poverty as issues of individual security.

- **Global Governance in Migration & Refuge Crisis:**

UN says a new tool is being developed as Agenda for Sustainable Development 2030 that strengthens the international systems and manages large movements of people (refugee & migrants) so that they uphold human rights norms and provide the necessary protection⁵⁷ by improving global governance, including through a “global compact for safe, orderly and regular migration”.

- **Make in India, Creating a Predictable Tax Structure & Infrastructure:**

‘Make in India’ programme is about a lot of things that are taking place in India. It involves things like improving infra, making it easier to do business, bringing down cost of doing business. It is about making India a friendlier place to do business. Amongst the things that we need to do is to improve R&D. Of course there are foreign institutions that have come and set up R&D offices in places like Bangalore and Hyderabad and we need to encourage that. We also need to encourage domestic R&D, as also joint ventures. There are attempts to increase that⁵⁸. Besides, one of the things that we have been working hard on is creating a predictable tax structure. But every time we talk about taxes, we get Vodafone sort of flung-back at us⁵⁹ “Remember Vodafone has yet to pay a single naya paisa on the demands that were levied on it. That’s going on. We have a structure of how this is decided and the government has said repeatedly we can’t subvert that structure for a specific case. “But going forward, we will try and make tax regime as transparent and as clear to you as possible and I think that effort is underway. So, there are now, advanced tax rulings that you can get from the tax authorities. Across the board, the attempt is to make India a better way to do business.”⁶⁰

CONCLUSIONS

By summarizing the study, it is stated that humanity is at cross road. This is because, liberalization of the world financial markets means that trillions of dollars criss-cross the world every day of the year, making effective supervision of the movement of black money impossible. The neutralization of crime against humanity of all kinds in a global era involve strong national & international cooperation, undercover operations, preventive measures and police surveillance, proper controls linked to awareness of the threat, danger signs and integrity checks, open democratic system, 21st century mindset of the participating countries, strong political will, innovative penal thought and strategic planning, effective judicial system unlike in India, where access to justice continues to be an illusion when 30% population is below chronic poverty line. No society can be at peace with itself if 30% its population feels neglected & unwanted. These are the factors and more raises more serious questions about the **survival of humanity**. Should the challenges fail to be met; a time will come from where it would be impossible to retrieve the humanity from the crises because the earth has enough for everyone's need, but not for everyone's greed. Therefore, human being need to begin by recognizing the common humanity.

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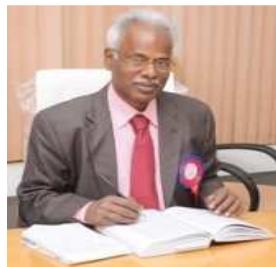
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